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1	UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	
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3	UNITED STATES OF AMERICA,	
4	V •	19 Cr. 561 (LAP) 11 Civ. 691 (LAK)
5	STEVEN DONZIGER,	
6	Defendant.	Oral Argument
7	x	
8		New York, N.Y.
9		January 6, 2020 10:04 a.m.
10	Before:	
11	HON. LORETTA A. PRESKA,	
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13		District Judge
14	APPEARANCES	
15	RITA M. GLAVIN, Special Prosecutor	
16	BRIAN P. MALONEY, Special Prosecutor	
17	ANDREW J. FRISCH, ESQ. Attorney for Defendant	
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(Case called) 1 2 THE COURT: Is the government ready? 3 MS. GLAVIN: Yes, your Honor. Rita Glavin and Brian 4 Maloney for the prosecution. 5 THE COURT: Good morning. 6 And is the defense ready? 7 MR. FRISCH: Andrew Frisch for Mr. Donziger. 8 Honor, good morning. 9 THE COURT: Good morning. 10 How would you like to proceed, counsel? MR. FRISCH: Well, I'll start it off. 11 12 After I received Ms. Glavin's letter of Friday 13 afternoon, I consulted over the weekend with a well-known, and 14 I believe highly regarded, expert in legal ethics, who's 15 prepared to write an opinion to assist the Court on what I consider to be a very serious issue, and one which I approach 16 17 with certain sensitivity under the circumstances. I won't repeat everything that's in my letter; however, it bears saying 18 that there's an issue of disinterestedness here, under the 19 20 particular circumstances of this case, which cause us concern. 21 I don't think it's the same as a civil litigator taking on a 22 new case and doing a conflict check. Certainly there are 23 elements of conflicts and loyalty involved in this, but as the 24 article of Professors Green and Roiphe -- I hope I'm 25 pronouncing that correctly -- points out, there's a dimension

of this bigger than just kind of loyalty that could come up in the context of civil litigation. In this case, the people seated in front of me are the sovereign. They are part of a firm that stands in the shoes of the United States Department of Justice in this case and acts as the sovereign. So I think that's the starting point of my concern.

My view is that three things — some combination or all of three things should happen. I think there needs to be a judicial inquiry. I think there needs to be disclosure of what the facts are. I don't think the prosecutor can make this determination herself and say, don't worry, everything's fine. I think the facts have to be exposed to scrutiny by your Honor, and by an advocate, myself. I think a hearing might be in order, where the relevant people testify, as I lay out in my letter. And I think I'd want an opportunity to brief this issue on an expedited basis to be sure, so that once the record on this issue is complete, whatever that means under the circumstances, I have an opportunity to go back, go back to my expert and get an opinion and provide it to the Court with further briefing.

I'll leave it at that, except to say this: I've been very concerned about how to raise this issue and how to proceed. I raised it in what I thought was a sensitive way with the prosecutors first. The absence of disclosure upon my doing so causes me concern, but I did attempt to do this in a

way that I thought was sensitive and appropriate, but I felt that the prosecutors' response left me no choice but to write a letter to the Court and, in light of Ms. Glavin's letter on Friday afternoon, to write the letter that I was able to put together this past weekend. I think there's an issue here that needs to be addressed.

THE COURT: Ms. Glavin.

MS. GLAVIN: Yes, your Honor.

Let me just start first with what this case is about.

This case is about a criminal prosecution, United States v.

Steven Donziger, who is charged with six separate violations of court orders, criminal contempt.

With respect to Mr. Frisch's claim that — and I want to address this first with respect to Judge Kaplan. With respect to Mr. Frisch's claim that Judge Kaplan is in any way coordinating with the prosecution team or seeking to influence the prosecution team in its decision making, in its strategy, that is false, and it is irresponsible of Mr. Frisch to be making that claim. The prosecution team, as we prosecute this case, does not seek Judge Kaplan's input in our decisions and the steps that we take, and Judge Kaplan does not offer it or seek to provide it. Period, full stop.

Mr. Frisch raised this issue in a meeting with me in September of 2019, when we talked about whether this case could have been resolved, and I explained to him that the prosecution

team will make the decisions. Just as when I was a federal prosecutor from 1998 until 2010, I applied independent, impartial decision-making principles that were guided by Department of Justice guidance on this. So that was made very clear to Mr. Frisch in September.

Mr. Frisch is not entitled, nor is Mr. Donziger, to know every communication that the prosecution has with anybody in this case. What he's entitled to is the discovery that he is allowed under the Constitution, under the law, and under the rules. So let me make that very clear, because I think Mr. Frisch's claim is irresponsible and disturbing.

Secondly, with respect to Mr. Donziger's belief that he has the right to examine my own or my law firm's ties with all of their clients and relationships, including business, professional, and personal, that's not what the law requires. He's not entitled to this. I understand that Mr. Donziger is unhappy that he is being prosecuted criminally in this case. That does not mean that he gets to interview the prosecutor to decide whether the defense believes that the prosecutor has conflicting loyalties, is independent, or impartial. No criminal defendant is allowed that anywhere in this country, whether it be a Rule 42 proceeding or any place else.

What I find interesting about Mr. Donziger raising this is that this is a pattern -- we expected this would happen in this case, but it is a pattern by Mr. Donziger of attacking

judges, attacking lawyers, impugning their reputations, and attacking parties, at every step of this case.

Bringing it back to what this case is about is whether or not Mr. Donziger has wilfully violated orders of the court. Neither myself nor Mr. Maloney nor Ms. Armani, who are the three prosecutors appointed to represent this case, nor does my law firm, Seward & Kissel, have existing client relationships that would result in the three appointed prosecutors having conflicting loyalties or having anything that would cause the independence of our decision making on behalf of our client, the United States in this case, to be anything but impartial and objective.

With respect to Mr. Frisch's request that there be some advance or expedited motion schedule, we ask that this case proceed in the normal course of any criminal case in this district court, which we are now at the sixth appearance before your Honor. A trial date of June 15th was penciled in at Mr. Frisch's request. I understand that May 4th is also a date that's available to your Honor. We would ask for an accelerated trial date of May 4th of 2020. Let's get this case going. No more delay, no more throwing mud, no more making filings that seem to rely on things such as ZoomInfo to allege that one of my law firm partners was on the board of directors of Chevron, which is false.

Your Honor, we simply ask that the Court proceed.

We've made our representations to the Court. We'd like to proceed on a regular motion schedule.

THE COURT: Mr. Frisch.

MR. FRISCH: Your Honor, may I.

Mr. Donziger is not raising these issues, I am. The information that I found online was a result of my Googling and my own research that I've attached to the letter that I sent yesterday.

This is not a question about anyone being unhappy.

It's a question about constitutional due process and fairness under the peculiar protocols that bring us here; and in a case where, just two weeks ago, Judge Kaplan made rulings, including not staying a collateral civil contempt hearing and making a ruling on a Fifth Amendment issue that bears on this criminal case.

It's not enough for Ms. Glavin to say everything's fine and to attack me, or to attack Mr. Donziger. What is required is a disclosure as to what these interests are. I understand that the ask of putting people on the stand is a big ask, so to speak, but I do so only because we don't know anything except what Ms. Glavin says is not a big deal and the public record, which shows that Seward is involved in the oil and gas industry, has ties to Oaktree, the vice chairman of which is on the Chevron board. I understand that the ZoomInfo piece about her partner may be inaccurate, but my concern —

THE COURT: Not probably inaccurate. We have the Chevron disclosures as to who's on its board, right?

MR. FRISCH: Agreed, it is inaccurate, but my concern is that there is a relationship there between Mr. Timpone and Oaktree and Chevron that I know nothing about other than what I can find online, and that's not enough for your Honor to evaluate the disinterestedness of Seward or my own ability to advocate for my client.

THE COURT: Sounds very attenuated, even taking your word, as you have on page 2 of your January 5 letter, even taking the facts as set out in items 1 and 2.

MR. FRISCH: What I can tell the Court is this: As I said earlier, and as I say in my letter, I've been in contact with an expert in legal ethics. Upon laying out the facts, even in light of Ms. Glavin's letter, with regard to this partner at Seward & Kissel, the expert is troubled and is prepared, pending completion of this issue, if the record stands as it is — it will be what it is — to explain to the Court why the record as it is is a problem, just based on my research of publicly available information and without knowing more about the relationship to which Seward has unique and unlimited access and won't disclose.

I raise the issue about Judge Kaplan with special concern. I have great respect for the bench. I've been doing this, practicing in New York for 35 years. I don't make claims

lightly, and I do it with great care. I hope the Court understands that. But I'm also concerned about this case.

There are things about the history of this case that we have not yet had an opportunity to brief. It hasn't been appropriate yet to do so. And I think there's a context of all of this that is troubling. And that's my concern. And my concern is elevated, not mitigated, by the absence of disclosures about the Seward relationship with Chevron and Oaktree and so forth and about exactly what Judge Kaplan's role is, and I say that with due respect to the bench generally and to Judge Kaplan specifically. I'm representing a client.

THE COURT: Okay. But two things. Number one, in your letter, you say on page 2, "Ms. Glavin's letter establishes that her contacts with Judge Kaplan are continuing." Ms. Glavin just stood up and represented that — and I can't quote it exactly, but — Judge Kaplan does not seek to offer, does not offer his advice with respect to how this case goes. And I don't know what else there is here. And I don't see that Ms. Glavin's letter establishes contacts with Judge Kaplan that are continuing.

MR. FRISCH: Well, Ms. Glavin is stating conclusions. We don't know the facts. What I am expressing in my letter is that the absence of disclosures I believe justifies an inference that perhaps is not justified if we knew the facts other than the prosecutor's conclusions about this.

THE COURT: Well, but counsel just told us Judge Kaplan does not seek to, hasn't offered, blah, blah, blah.

MR. FRISCH: Those are conclusions. I don't know the nature, the extent, the frequency of the contacts, why they're in contact at all. The record of the contempt charges are a matter of extraordinarily voluminous submissions by the parties in the civil case and by Judge Kaplan himself. I'm not quite sure, in the spirit of Rule 42, and the relevant case law about contempt and recusal and all of that, why there's any contact and why we have to be talking about what Ms. Glavin believes is actually going on.

Let me give you one example as to what I think is a way of looking at this issue, if your Honor will permit.

Let's say there's one or more of the criminal contempt charges that are legally insufficient. There's a problem with proceeding to trial on them. Does Ms. Glavin, Ms. Glavin, have the power to, on her own, dismiss them or not proceed on them? She's told me she doesn't.

MS. GLAVIN: That is not --

MR. FRISCH: Excuse me.

MS. GLAVIN: That is not true.

MR. FRISCH: It is true, but excuse me. My understanding, so -- but consider it. If she wants to dismiss it, does she have to get approval from Judge Kaplan? I don't know. My concern is colored not just by what's been going on

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here, but by the history of this case, and that's something we'll litigate one way or the other as we go forward, and I understand that. There may be differing views as to what the background of this case is and what it shows and what it doesn't show. My concern, given the history, especially what's happened lately, is whether or not Judge Kaplan is speaking to the prosecutors and, if so, what about. I understand there's only so much I can do to get at that issue. All I can do as an advocate, Judge Preska, is call it out and see what the response is. I don't know what more I can do to get at that particular issue. But it remains very troubling to me.

On the issue of disinterestedness, I certainly want an opportunity, in an expedited fashion -- I'm not looking to delay the trial date, and I'll talk more about the trial date in a second -- to report back to my expert, say, this is what happened in court today, can you write an opinion as part of a submission that I'll make to Judge Preska? I at least want to be able to do that before we take a step further, because I think even on the record that I have, this is very troubling. There's no motivation from this table about delay. motivation is getting this right and accommodating, unfortunately, my own schedule, which has me on trial in the Eastern District that I told the Court about at our last That prevents me from moving up this trial. appearance. Ι will tell the Court that that case involves voluminous

discovery. There are three assistant US attorneys on that case, there are thousands of chats, and there's a discovery issue that's been teed up that may require that the scheduling of that trial be tweaked somewhat, and so your Honor is also aware that the case before Judge Korman, before whom I've appeared on many, many trials in my life, and is a very methodical and deliberate judge so I want to factor that into my availability. The June 15th date, whether it was put in with pencil or pen, is the date that we should keep, most respectfully.

All I want --

THE COURT: If that case gets adjourned, though,
May 4.

MR. FRISCH: If that case gets adjourned. Fair enough. I don't think it will, Judge. Fair enough. I'll let the Court know if there's any change that would result in that case — in the scheduling of that case being tweaked more than a week or two. I don't think it will, but I'll let you know if it does, of course.

THE COURT: Yes, sir.

MR. FRISCH: Look, I understand that these are difficult and sensitive issues. I've tried to do my best to raise them and discuss them in a professional way with respect to all the parties, including Ms. Glavin, but I did what I could. I don't know that I could have done more. And at this

point, I still think the issue with Judge Kaplan is a problem. I don't know what I can do to get at it. I don't know that I can call him as a witness to ask him questions. What I do know is with regard to the other issue, I want an opportunity to go back to my experts and make a more formal submission to your Honor.

MS. GLAVIN: Your Honor, Mr. Frisch's claim that I informed him that I don't have the ability to make prosecution decisions to dismiss the case or counts of the case is false.

Mr. Frisch met with me in September of 2019, along with my associate here, Brian Maloney, and along with Sareen Armani.

And in that meeting with me he said, Ms. Glavin, suppose you came to the conclusion that you could not meet the evidence required for these counts, that it was insufficient; do you believe you have the power to dismiss them? And I said I believe I have the power of any prosecutor to go to the Court and move to dismiss. Of course your Honor would have to grant that motion, but that is what I understand my assignment to be. That is how I am conducting it. For Mr. Frisch to suggest that I said anything else to him is simply false and irresponsible.

With respect to Mr. Frisch's claims about Oaktree,

Oaktree has nothing to do with this case. It is attenuated and
farfetched. The issue is whether or not myself, Mr. Maloney,

or Mr. Armani, have conflicting loyalties in this case that

could cause our independence and our impartiality to be

questioned. The Supreme Court in Young v. United States ex rel. Vuitton laid out what the standard was. In a Rule 42 proceeding, where a federal judge appoints a private attorney to be a prosecutor, that private attorney cannot be representing a party that has a direct interest in the outcome of that proceeding. I am very aware of what the ethics rules are about conflicts, about lawyers exercising independent judgment, about lawyers doing the right thing. I am aware of ethics guidance regarding prosecutors and the need to do the right thing and ensure justice is done. That is what is being applied here. Mr. Donziger and Mr. Frisch are not entitled to conduct interviews of me or anybody else who might be appointed in a particular case, full stop.

The last point I want to raise is, there is another disturbing allegation that Mr. Frisch made in his letter, which said that he believes that the law firm of Gibson Dunn & Crutcher has provided information to the prosecution team — this is at page 3 on the bottom — which is false and misleading. That letter follows on to a letter Mr. Frisch sent me on December 19 of 2019, which said, "I am also concerned about Gibson Dunn. The firm's conduct over the years, in my view, has crossed the line, advancing positions, perhaps even to you, that are false and misleading." Mr. Frisch never addressed this allegation with me after he sent this letter. I would ask Mr. Frisch, if he has information to support what are

very serious allegations against lawyers and members of the bar, to bring those issues to my attention. If he believes that someone is providing false information to a prosecutor in a federal prosecution, I'd like to know about it. Please share that with me. We are aware of what our prosecution responsibilities are with respect to *Brady* and *Giglio*, and we will do so.

And there is one last point I'd like to raise. With respect to Mr. Frisch's letter on December 19 of 2019, I want to recount for the Court the events that led up to this letter. I contacted Mr. Frisch before the holidays, knowing that we were going to have this conference on January 6th. And I reached out to him and I said, look, Mr. Frisch, could we have a conversation before the next court conference to talk about if there's a way to resolve this short of a trial. So we set up a call for December 19th in the afternoon. And then that morning I received this letter from Mr. Frisch. Most of that call was devoted to back-and-forths about whether or not we could resolve this case. And Mr. Maloney was with me during the course of the phone call. There was no discussion about the third issue with respect to Gibson Dunn.

With respect to the issue on Judge Kaplan, what Mr. Frisch was asking is that he wants to know about any and all contacts that the prosecution had with Judge Kaplan, or with chambers. I told him he's not entitled to that. He'll

get what he's entitled to under the law and under discovery.

And then with respect to the issue of ties to Chevron, the question I posed — because this was the first time Mr. Frisch had raised this with me, the question I posed to Mr. Frisch was: When you say that one of my law partners has been a member of the board of Chevron, which law partner is that? And he told me the name of the law partner, Mr. Timpone. Then we ended the call. I said, Mr. Frisch, you're going to get what you're entitled to under the law from the prosecution. That's it. We finished the call.

I then sent Mr. Frisch an email later that afternoon saying, let's have a call before our next conference on January 6th, to talk about what motions we might be making in this case. Mr. Frisch didn't get back to me, and then was too busy to have the call.

He then dropped, without any notice to me, this letter on December 31st, which seems to be par for the course in this case. I had sought to engage with Mr. Frisch. There is no issue that's been off the table for discussion with Mr. Frisch. But to the extent he wants things that he's not entitled to, he's not going to get them. There is no need, in our view, to go down the road for Mr. Frisch to talk about every conversation that I've ever had with Judge Kaplan that relates to this case. Suffice it to say, as I made the representation to the Court, the prosecution does not seek Judge Kaplan's

input with respect to our prosecution decisions or our strategy, and Judge Kaplan does not weigh in on our prosecution decisions or strategy. We perform independently in what we do. And the same is true with respect to Gibson Dunn, your Honor.

THE COURT: Mr. Frisch.

MR. FRISCH: Thank you, Judge.

Very briefly, as your Honor may or may not know,

Ms. Glavin and I have known each other a long time. We were in
the trenches together on a significant trial a few years ago.

I'm not sure that's a good or bad thing in the current context.

But we've managed to work well together in the past. I imagine
we will in the future. However, I stand by what I said word
for word under penalty of perjury as an officer of the court.

It was the second conversation I had with Ms. Glavin in which Ms. Glavin said that it was not within her discretion to dismiss the charge, that her mission was to prosecute. I don't want to bore the Court with "he said, she said." We'd be here all day. I just want to protect myself.

THE COURT: But it is correct that to dismiss, you have to bring it before the Court, right?

MR. FRISCH: Yes, your Honor.

THE COURT: All right.

MR. FRISCH: Your Honor, here's the bottom-line issue in what I again repeat are difficult issues to raise, and one of sensitivity, which I appreciate, which is, I don't know the

facts. I know what I found publicly available. I renew my request to the Court to conduct a judicial inquiry to get at the facts. I understand that could raise various issues. There are ways to do it. But something needs to be done to establish whether the prosecutors are disinterested, as they must be. I renew that. Barring that, I would ask for an opportunity — and as I say to the Court, I will do it on an expedited basis — to get with my experts and make a more formal submission so the Court at least has that benefit.

THE COURT: Anything else?

MS. GLAVIN: No, your Honor. We would just simply ask to just set the motion schedule for the case.

THE COURT: All right. With respect to Mr. Frisch's request for additional disclosure, in my view the items that he has set out at Nos. 1 and 2 on page 2 of his January 5 letter are way too attenuated to require any additional disclosure.

We know that the item 3 about Mr. Timpone is not correct based on the listing of the actual directory of Chevron.

With respect to contacts with Judge Kaplan, I am satisfied with the prosecutor's representations with respect to that.

Accordingly, in my view, there is nothing else left to be done here.

I would like to talk about the motions that we have to make so that we can get things in line for an early trial date

if in fact we have to go to the May 4 date. I take it you folks have not discussed what motions you want to make; is that right?

MS. GLAVIN: We have not, your Honor. What I did raise with Mr. Frisch is, in terms of motions, I was envisioning motions being — the first round of motions being if there are motions to challenge the charges, hear the order to show cause, and then there would be a separate motion schedule as we came up to trial with respect to trial—related issues such as motions in limine.

THE COURT: Do we anticipate motions directed to the sufficiency of the charges, Mr. Frisch?

MR. FRISCH: Yes.

THE COURT: When do you want to do that?

MR. FRISCH: Here's what I would propose. First of all, in chronological order, what I hope to do and expect to do is to make the submissions to which I made reference earlier, for the Court's benefit. Perhaps in style that's a motion for reconsideration, but at least it's a matter of record, and I'll do that, as I say, on an expedited basis within the next — outside two weeks.

With regard to issues that are more on the macro category as it relates to this case, as opposed to the micro category --

THE COURT: Maybe we could call it the merits

category.

MR. FRISCH: That's fair. Merits category, protocol category. I would propose that I get those in by February 14.

THE COURT: Ms. Glavin, how long do you want to reply to that?

MS. GLAVIN: I'm taking a look at my calendar, your Honor.

THE COURT: You people with those fancy electronic calendars can't see anything. Much easier to have paper.

MS. GLAVIN: There is something to be said for that.

Motions by February 14th. We'd ask for March 6th, your Honor, for any opposition.

THE COURT: Okay. Response?

MR. FRISCH: Let me propose a date, with the understanding that if the trial that I'll be involved in or expect to be involved in causes me problems, I'll make an appropriate application to the Court. But I obviously want to get everything briefed to your Honor because the issues are somewhat unusual. I would say, whatever the date is, two weeks from March 6th. I guess that would be about March 20th.

THE COURT: Okay. That's fine. But we need to bear in mind that the motions have to be read and decided and then I know you're going to have a whole other round of motions, and if it turns out we're looking at May, it's going to have to be lickety split. So let's just keep that in mind.

Anything else today, friends? 1 2 MR. FRISCH: Not for Mr. Donziger, no, thank you. 3 MS. GLAVIN: No, your Honor. 4 THE COURT: To the extent anyone argues that the 5 Speedy Trial Act applies, what do you want to do? 6 MS. GLAVIN: Your Honor, yes, the prosecution would 7 move to preclude time under the Speedy Trial Act, without conceding that the Speedy Trial Act applies to this matter. 8 9 MR. FRISCH: And I have no objection, Judge. 10 THE COURT: All right. So time is excluded until the beginning of briefing. Time will then be suspended during the 11 12 pendency of the briefing. And let's assume we have a hearing, 13 although I don't make that decision today, two weeks after the 14 reply. So time will be excluded until two weeks after the 15 reply, which is April 3rd. 16 Anything else, friends? 17 MR. FRISCH: No, Judge. Thank you. 18 THE COURT: Good morning, friends. Thank you. 19 000 20 21 22 23 24 25